Swaping of high cost debt

4731. SHRI RAMA MUNIREDDY SIRIGIREDDY:
SHRIMATI N.P. DURGA :

Will the Minister of FINANCE be pleased to state:

whether the Ministry of Finance has drawn up a schedule to swap high cost debt to low cost debt to the tune of Rs. 30-40 thousand crores in the first quarter of 2003-2004; and

if so, the details of the plan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Government proposes to offer buyback of 24 high coupon relatively illiquid Government securities, with outstanding stock of Rs. 82,523 crore during the first quarter of 2003-2004. The transaction would be structured as switch operation and auction would be through multiple price method. The quantum of repurchase, number of tranches, etc. would be decided depending on the response to the offer.

Corporate Debt Restructuring

4732. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

what are the new rules issued by the Reserve Bank of India (RBI) on Corporate Debt Restructuring (CDR);

whether the CDR mechanism has been working efficiently; and

how many CDR proposals have been finalized since the inception of the schemes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VTTHOB A ADSUL): (a) Based on the recommendations of a High Level Group, Reserve Bank of India issued revised guidelines on 5th February, 2003. The main features of the revised guidelines are the introduction of two types of restructuring under the CDR system. Accounts, which are classified as 'standard and sub-standard', would be restructured under the first category (Category-I) whereas Accounts classified as 'doubtful' would be restructured under the second category (Category-II). Guidelines have also been revised in regard to composition and enhancement in the scope of Core Group, Additional functions for CDR Empowered Group,

flexibility in sanction of additional assistance as part of restructuring package, introduction of an 'exit option' from the package, restructuring of 'doubtful' assets under Category-II guidelines, discretion to institutions like UTT, LIC, GIC, etc. to join the CDR on transaction-specific basis.

According to Reserve Bank of India and CDR Core Group, CDR mechanism is working satisfactorily.

28 proposals have been finalized so far under CDR mechanism since its inception in March, 2002 and till 31st March, 2003.

Enhancement of crude oil reserves

4733. SHRI GHULAM NABIAZAD: WiU the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

whether Government have drawn up any new plans to boost crude oil reserves to 45 days from the current storage capacity of 19 days to meet contingencies; and

if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) In addition to the existing crude oil and petroleum product storage with the oil companies, the Government proposes to build strategic storage of crude oil to provide for 45 days cover in phases. To begin with, detailed feasibility reports for constructing under ground strategic storage to provide for 15 days cover of crude oil requirement have been prepared.

Explosion of LPG cylinders

4734. SHRI S.M. LAL JANBASHA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

whether Government have not been able to get safe LPG cylinders designed in the country;

whether it is a fact that Government have not been able to get safety experts or industrial designers to collaborate and ensure that leakages do not arise;

the steps taken by Government to ensure that LPG cylinders do not explode;

whether any compensation is paid by oil companies for such accidents in the country; and

if so, the details thereof?